Reduction in FDI in Telecom Sector

1739. SHRI J. CHITHARANJAN: Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether it is a fact that the Foreign Direct Investment in the telecom sector has been in the dismal over the last 15 months period;

(b) if so, the names of the foreign companies who made their foreign investment during 1999 and in 2000 so far with their respective investment amount in cellular, basic and paging services separately;

(c) whether it is a fact that some of the foreign companies who had made investments in the telecom sector are in the process of leaving the country closing their business or have already left; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR): (a) While it is true that actual inflow of Foreign Direct Investment (FDI) during the last 15 months or so had declined, approvals for such investments has showed an upward trend during this period as compared to the previous years.

(b) The names of the foreign companies who made their foreign investment during the year 1999 and up to May 2000 with their respective investment amount in cellular, basic and paging services are separately given in enclosed statement *{see* below).

(c) and (d) The telecom industry worldwide is going through major structural transformation with creation of larger entities through mergers, amalgamations and acquisitions. The impact of the global restructure is also felt in the Indian Telecom Sector. As a result, some of the foreign promoter, in the Indian Joint venture companies have shown their willingness to withdraw or have withdrawn. However, such withdrawals have provided opportunities to the new investors who are willing to exploit the investment potential which telecom sector now offers.

Statement

(Rupees in crores)

SIN	Name of the foreign company	Amount invested	Service
1.	Bell Canada International Inc. Canada	7.6	Cellular
2.	Bell Canada International India Cellular Ltd., Mauritius	22.04	Cellular
3.	AIG Mauritius Ltd., Mauritius	7.16	Cellular
4.	AT&T Cellular Pvt. Ltd., Mauritius	135.66	Cellular
5.	France Telecom Mobile International, France	11.96	Cellular
6.	Motorola India Network Ltd., Mauritius	5.07	Cellular
7.	Dista Com Communications India Ltd.,	19.77	Cellular
8.	AIR TOUCH International Mauritius Ltd., Mauritius	1.16	Cellular
9.	Telesystem Mauritius	0.90	Cellular
10	PCM Mauritius	0.90	Cellular
11	Mobile Wireless Co. Ltd., Mauritius	0.90	Cellular

Note: There has been no substantial foreign investment in respect of Basic and Paging Services during the above period.

Charges of local calls by telephone booths

1740. SHRI K.C. KONDAIAH: Will the Minister of COMMUNICATIONS be pleased to state:

(a) the number of telephone booths providing local call, STD and ISD facilities working in Bangalore city;

(b) whether it has come to the notice of Government that most of telephone booths charge Rs. 2 for local call which is not seen in any other town; and

(c) if so, the steps proposed to be taken to stop this daylight robbery?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR): (a) 11,364 telephone booths providing local call, STD and ISD facilities are working in Bangalore city.